

**AGENDA:** May 27, 2003

**4.5**

**CATEGORY:** Consent

**DEPT.:** City Manager

**TITLE:** Moffett Military Housing Privatization  
Update

### **RECOMMENDATION**

Acknowledge and file staff's update regarding the Army's efforts to privatize the military housing areas it currently operates at/near Moffett Federal Airfield through the Residential Communities Initiative (RCI) process.

### **FISCAL IMPACT**

There is no fiscal impact directly associated with the approval of the above-listed recommendation.

### **BACKGROUND AND ANALYSIS**

At its March 25, 2003 study session, the City Council received an update regarding the Army's efforts to privatize the military housing it operates at/near Moffett Federal Airfield (Attachment 1) from Army RCI representatives and representatives from Clark Pinnacle Family Communities, LLC (Clark Pinnacle), the developer the Army has selected for the privatization project (Attachment 2).

The 316 military housing units that will be privatized at Moffett Federal Airfield are part of a larger RCI effort to privatize and improve more than 2,000 units of military housing at three Army facilities in California—Fort Irwin, Camp Parks Reserve Forces Training Center and Moffett Federal Airfield.

Currently, the Army is working with Clark Pinnacle to develop a Community Development and Management Plan (CDMP) that will serve as the blueprint for building, financing and operating the Army's residential communities at each of the three California military sites listed above.

As was discussed at the March 25 study session, the Moffett RCI project is unique in that a portion of the military housing included in the Moffett project—the Shenandoah Square Housing Annex site—is located outside of a military base and within the local community at a very visible location. Also, unlike most other RCI projects, the City of Mountain View currently is, and will continue to be, a water and wastewater service provider to the

Shenandoah site. These special attributes of the Shenandoah site mean that the City must be involved in the planning and execution of the RCI's plans to build an additional 40 to 45 housing units on the vacant portion of the Shenandoah property.

In recognition of the unique nature of the City's and community's relationship with the housing that will be built on the Shenandoah site, the City Council identified the following as topics requiring additional dialogue and resolution between the City, RCI and Clark Pinnacle prior to the completion of the CDMP:

- Community Development Department staff input regarding design issues for the housing to be built on the Shenandoah site.
- Coordination with the City's Public Works Department regarding infrastructure and utility connections.
- Creating a mechanism to memorialize the commitment made by Clark Pinnacle at the March 25 study session that private developer requirements (e.g., below-market-rate housing, park fees, etc.) in effect at the time would be met by Clark Pinnacle if it purchases the property or by subsequent developers if Clark Pinnacle ever sells off the property in the future.

At the time of the March 25 study session, it was staff's understanding that the CDMP would not be completed until December 2003, and there would be sufficient time and opportunity for these issues to be resolved prior to the CDMP being submitted to the Pentagon and Congress for review and approval.

However, since this study session, RCI representatives have provided additional information and clarification about the process and schedules for the review and approval of the CDMP. It is now apparent that there will not be sufficient time, nor will the RCI and Clark Pinnacle have the authority, to enter into commitments regarding the three issues outlined by the Council before the CDMP is completed and begins its review and approval process through the Pentagon and Congress at the end of this month.

End of May to mid-July 2003	Pentagon review and approval of the CDMP.
Mid-July to late August 2003	Congressional review and approval of the CDMP.
Late August to early December 2003	Financial closing and Clark Pinnacle assumes housing operations.

Given this new time line for City participation in the review and approval process for the new Shenandoah housing, City staff has met with Clark Pinnacle representatives to discuss how the City's interests and concerns about the three issues identified by the City Council can still be addressed.

Clark Pinnacle representatives have indicated a willingness to participate in a modified design review process for the new housing to be built on the Shenandoah site. Under this process, the City will have the opportunity to review the project and place conditions of approval that will be incorporated into the utility service connection agreement between the City and RCI/Clark Pinnacle. However, because of the shortened time frame, staff's review of the site plan and architectural design for the project will not be as comprehensive as it would be with other private development projects.

The City's design review process will run coterminously with the Federal CDMP review and approval process. Although the design review and utility connection agreement process currently being discussed between the City and the RCI and Clark Pinnacle does not provide resolution and commitments by the RCI and Clark Pinnacle on each of the three Council-identified issues prior to the approval of the CDMP as was originally envisioned, the process does ensure that the issues will be addressed prior to the City entering into the utility connection agreement the RCI and Clark Pinnacle will need in order to commence the development of the new Shenandoah housing units.

Staff anticipates presenting the utility connection agreement to the City Council for review and approval sometime after December 1, 2003 after Clark Pinnacle assumes housing operations for all the units at the Fort Irwin, Moffett and Camp Parks site. At that time, the Council will be able to review and act on the plans, designs and conditions that have been developed for the Shenandoah housing units.

As the CDMP for the Irwin/Moffett/Parks RCI housing projects continues to move forward through its Pentagon and Congressional review and approval processes, City staff will also review and provide comments regarding the Environmental Assessment the Army is currently conducting for the housing project to ensure any and all community impacts from the Moffett project are appropriately addressed/mitigated as part of the final approved project.

As necessary, during the remainder of the CDMP review and approval process and staff discussion with RCI and Clark Pinnacle representatives regarding the utility services connection agreement, staff will provide updates to the City Council regarding its efforts to ensure that the Council's and community's interests are appropriately addressed.

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**PUBLIC NOTICING**

In addition to distributing copies of this report in accordance with the City's standard agenda posting requirement, copies of this report were also sent to approximately 40 individuals currently included on the Council Moffett Field Complex Committee's mailing list.

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601-05-27-03M-1 ^

Attachments: 1. Map of Moffett Housing Areas  
2. Excerpt—March 25, 2003 City Council Meeting Minutes